



Statutory Document No. 137/04

THE SOCIAL SECURITY CONTRIBUTIONS AND BENEFITS ACT 1992

**THE FAMILY INCOME SUPPLEMENT (GENERAL)
(AMENDMENT) (No. 2) REGULATIONS 2004**

Approved by Tynwald

18th March 2004

Coming into operation on 12th April 2004

In exercise of the powers conferred on the Department of Health and Social Security by section 123 and section 128 of the Social Security Contributions and Benefits Act 1992(a) (as that Act has effect in the Isle of Man(b)) and of all other enabling powers, the following Regulations are hereby made:-

Citation and commencement

1. These Regulations may be cited as the Family Income Supplement (General) (Amendment) (No. 2) Regulations 2004 and shall come into operation on 12th April 2004.

Amendment of the Family Income Supplement (General) Regulations 1998

2. Amend the Family Income Supplement (General) Regulations 1998(c) in accordance with the following regulations.

3. In regulation 36 (certain types of income to be treated as capital) after paragraph (7) add -

“(7A) For the avoidance of doubt, any personal allowance credit under Part 1 of the Income Tax Act 2003 (an Act of Tynwald) shall be treated as capital.”.

4. In regulation 43 (interpretation of Chapter VII of Part IV of the Family Income Supplement (General) Regulations 1998: student’s capital and income) after “Chapter” insert “and in paragraphs 51 to 58 of Schedule 2 (income other than earnings to be disregarded)”.

5. For regulations 44 to 51 (students’ capital and income) substitute -

“Apportionment of a student’s grant income

(a) 1992 c.4; (b) S.D. 505/94; (c) S.D. 363/98.

44. (1) A student's grant income shall be apportioned -

- (a) subject to paragraph (2), in a case where it is attributable to the period of study, equally between the weeks in the period -
 - (i) beginning with the benefit week the first day of which coincides with, or immediately follows, the first day of the period of study, and
 - (ii) ending with the benefit week the last day of which coincides with, or immediately precedes, the last day of the period of study; or
- (b) in any other case, equally between the weeks in the period -
 - (i) beginning with the benefit week the first day of which coincides with, or immediately follows, the first day of the period for which it is payable, and
 - (ii) ending with the benefit week the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

(2) In the case of a student on a sandwich course -

- (a) any periods of experience within the period of study shall be excluded; and
- (b) the student's grant income shall be apportioned equally between the weeks in the period -
 - (i) beginning with the benefit week the first day of which immediately follows the last day of the period of experience, and
 - (ii) ending with the benefit week the last day of which coincides with, or immediately precedes, the last day of the period of study.

Apportionment of a student's covenant income

45. A student's covenant income shall be apportioned -

- (a) in a case where it is attributable to the period of study, equally between the weeks in that period;
- (b) in any other case, equally between the weeks in the period in respect of which it is payable.

Refund of tax from a student's income to be treated as capital

46. Any amount by way of a refund of tax deducted from a student's income shall be treated as capital.

47. to 51. Omitted.”.

6. In regulation 59 (miscellaneous outgoings in respect of the home for which housing costs are applicable) -

- (a) renumber that regulation as paragraph (1) of regulation 59;
- (b) at the start of paragraph (1) of that regulation (as so formed) insert “Subject to paragraph (2),”; and

(c) after paragraph (1) add -

“(2) The amount applicable under this regulation shall be the amount of the outgoing mentioned in paragraph (1) less any discount available in respect of the amount of that outgoing at any time, whether or not advantage is taken of that discount.”.

7. In Schedule 2 (income other than earnings to be disregarded in respect of family income supplement entitlement) -

(a) in paragraph 24 (charitable or voluntary payments) -

(i) in sub-paragraph (1) for “sub-paragraph (3)” substitute “sub-paragraphs (3) and (3A)”,

(ii) in sub-paragraph (2) for “sub-paragraph (3)” substitute “sub-paragraphs (3) and (3A)”, and

(ii) after sub-paragraph (3) insert -

“(3A) No part of a student’s covenant or grant income shall be disregarded under sub-paragraph (1) or (2).”; and

(b) after paragraph 50 add -

“Student income

Grant income

51. Up to £28.30 of a student’s apportioned weekly grant income.

Contribution assessed

52. Where -

(a) a student is in receipt of income by way of a grant during a period of study; and

(b) a contribution has been assessed,

the amount of the contribution.

Covenant income where no grant income is received

53. Where a student is not in receipt of income by way of a grant, up to £28.30 of his apportioned weekly covenant income.

Expenditure necessary for a student’s attendance on his course

54. For the purpose of ascertaining weekly income other than grant income and covenant income, any amount or amounts (as apportioned equally between the weeks of the student’s period of study) which an adjudication officer is satisfied are intended for any expenditure necessary as a result of the student’s attendance on his course.

This paragraph has effect only if, and to the extent that, the necessary expenditure exceeds (or is likely to exceed) £28.30.

Income payable under a Deed of Covenant which commences or takes effect after the first day of the summer vacation

55. Where -

- (a) a claim is made in respect of any period in the normal summer vacation; and
- (b) any income is payable under a Deed of Covenant which commences or takes effect after the first day of that vacation,

that income.

Partner's contribution

56. Where -

- (a) the claimant or his partner is a student; and
- (b) for the purposes of assessing a contribution to the student's grant, the other partner's income has been taken into account,

an amount equal to that contribution for the purposes of assessing that other partner's income.

Student's income already taken into account in assessing entitlement to a grant

57. Any part of a student's income already taken into account for the purposes of assessing his entitlement to a grant.

Changes in the standard maintenance grant occurring during the summer vacation

58. Any change in the standard maintenance grant occurring in the recognised summer vacation appropriate to the student's course (unless the vacation forms part of his period of study).

This paragraph shall apply from the date on which the change occurred until the end of the vacation.”

Made

15/02/2004



Minister for Health and Social Security

EXPLANATORY NOTE

(This note is not part of the Regulations)

Introduction

1. These Regulations, which shall come into effect on 12th April 2004, make miscellaneous amendments to the Family Income Supplement (General) Regulations 1998 (“the Family Income Supplement Regulations”).
2. Regulation 1 provides for the citation and commencement of the regulations and regulation 2 introduces the regulations.

Personal allowance credit

3. Regulation 3 makes it clear that any personal allowance credit paid under Part 1 of the Income Tax Act 2003 (an Act of Tynwald) shall be treated as capital for the purposes of determining family income supplement entitlement.

Students' capital and income

4. Regulation 5 substitutes most of the previous version of Chapter VII of Part IV of the Family Income Supplement Regulations. That Chapter provides for the way in which the capital and income of students is to be calculated. The provisions disregarding certain types of student income in determining a person's entitlement to family income supplement have been moved to Schedule 2 where other income disregards are specified, for ease of reference.
5. Regulation 4 provides that the interpretation provisions of Chapter VII also apply to the student income disregards mentioned in paragraph 4 in their new position in Schedule 2.
6. Regulation 7 supplements the list of items of income other than earnings which have no effect on a person's entitlement to family income supplement by including certain types of student income previously found in Chapter VII of Part IV of the Family Income Supplement Regulations.

Housing costs

7. Regulation 6 provides that where any of the miscellaneous types of housing costs mentioned in regulation 59 of the Family Income Supplement Regulations (in particular, rates) which are included in a person's prescribed amount of family income supplement are (or were ever) subject to a discount, then the amount to be included in the person's prescribed amount of benefit shall be net of that discount, whether or not advantage was taken of it.

